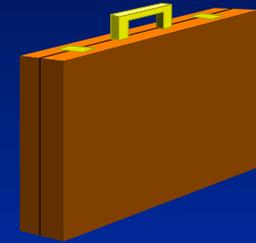


# Department of Commerce General Fund Fees and Appropriations

Legislative Fiscal Bureau  
Dennis Prouty, Director  
515-281-3509

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# Department of Commerce Divisions



- ◆ Administrative Services
- ◆ Alcoholic Beverages
- ◆ Banking
- ◆ Credit Union
- ◆ Insurance
- ◆ Professional Licensing
- ◆ Utilities

[Click here to continue](#)

# Department of Commerce Fees and Appropriations

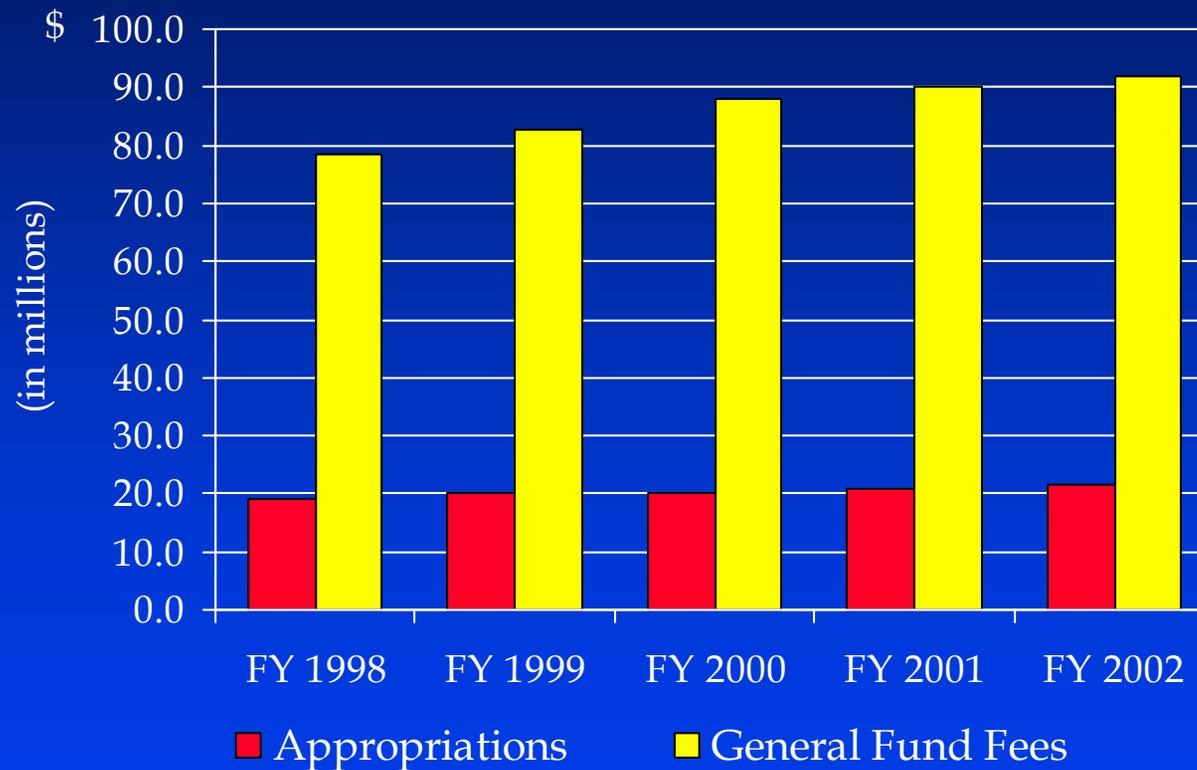


Each division within the Department of Commerce, with the exception of the Administrative Services Division, generates fees that are deposited into the General Fund. These divisions each have different requirements authorized in the Code of Iowa regarding the distribution of the fees. The following information indicates the methodology for the distribution of the fees and shows a comparison of appropriations versus the fees each division has generated since FY 1998.

[Click here to continue](#)

# Department of Commerce

## Total General Fund Appropriations and Fees



[Click here to continue](#)

# Administrative Services



Section 546.2(4)(C), Code of Iowa, requires the Department Director to supply maximum support to the divisions within the Department of Commerce. This Division did not generate any fees, and received an appropriation from the Administration and Regulation Appropriations Act.

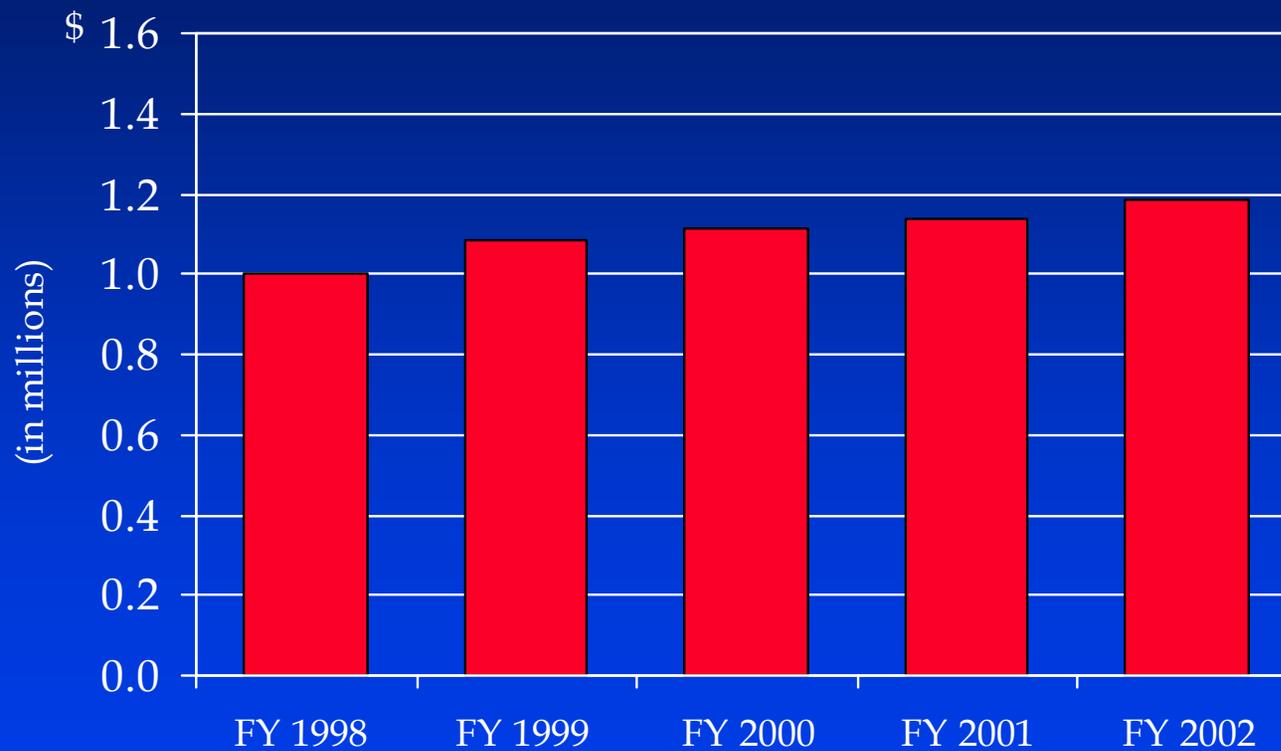
**Administrative Services\*** – Provided administrative support to the Director and coordinated communications between the Divisions.

\*During the 2002 Legislative Session HF 2627 (FY 2003 Second Omnibus Appropriations Act) was passed and the Administrative Services Division was eliminated.

[Click here to continue](#)

# Administrative Division

## General Fund Appropriations



[Click here to continue](#)

# Alcoholic Beverages Division

Section 123.4, Code of Iowa, establishes the Alcoholic Beverages Division.

Section 123.53, Code of Iowa, establishes the Beer and Liquor Control Fund. The Fund consists of moneys appropriated by the General Assembly for deposit in the Fund and moneys received from the sale of alcoholic liquors by the Division, the issuance of permits and licenses, and moneys and receipts received by the Division from any other source. The Section also requires that not less than \$9.0 million dollars annually be transferred from the Fund to the Iowa Department of Public Health for substance abuse treatment and prevention programs. Expenses incurred by the Division are paid from appropriations received in the Administration and Regulations Appropriations Act.

[Click here to continue](#)

# Alcoholic Beverages Division (Continued)

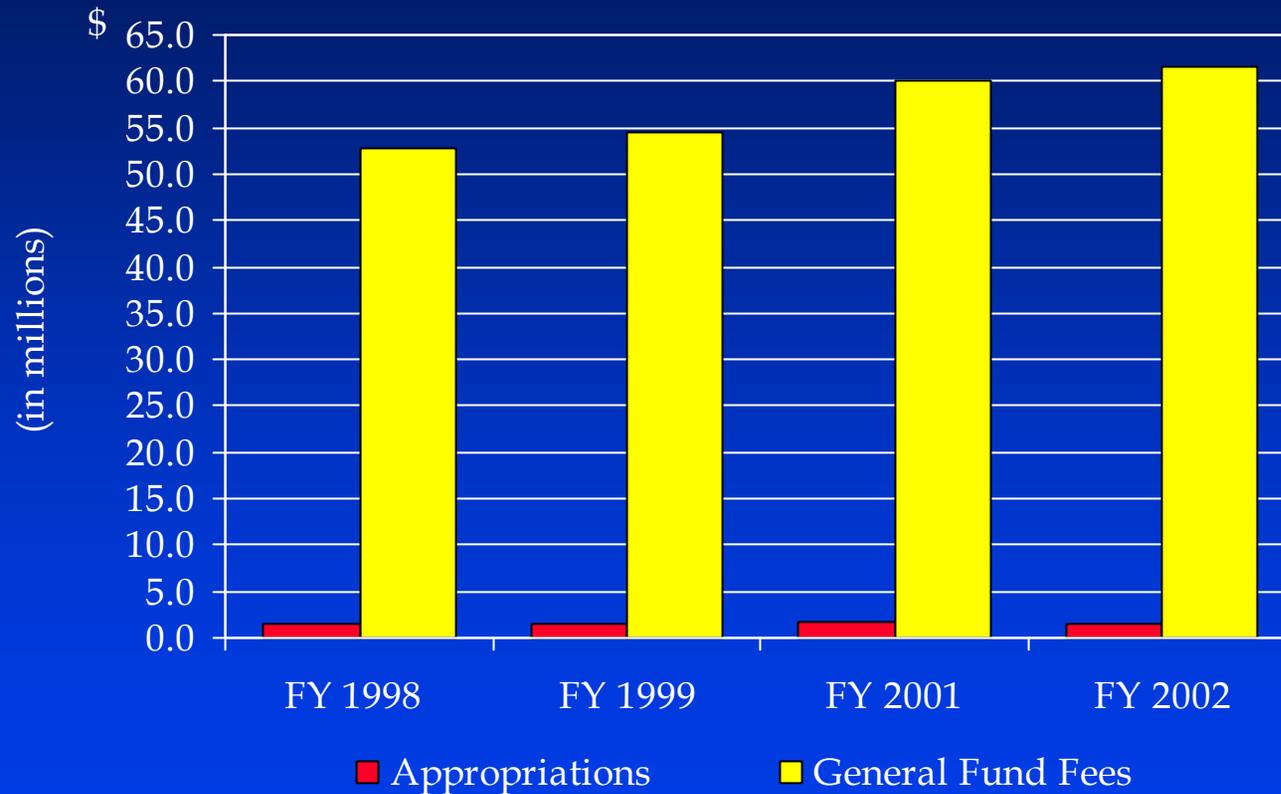
**Alcoholic Beverages Division** – Administers and enforces laws of the State involving beer, wine, and liquor.



[Click here to continue](#)

# Alcoholic Beverages Division

## General Fund Appropriations and Fees



[Click here to continue](#)

# Banking Division



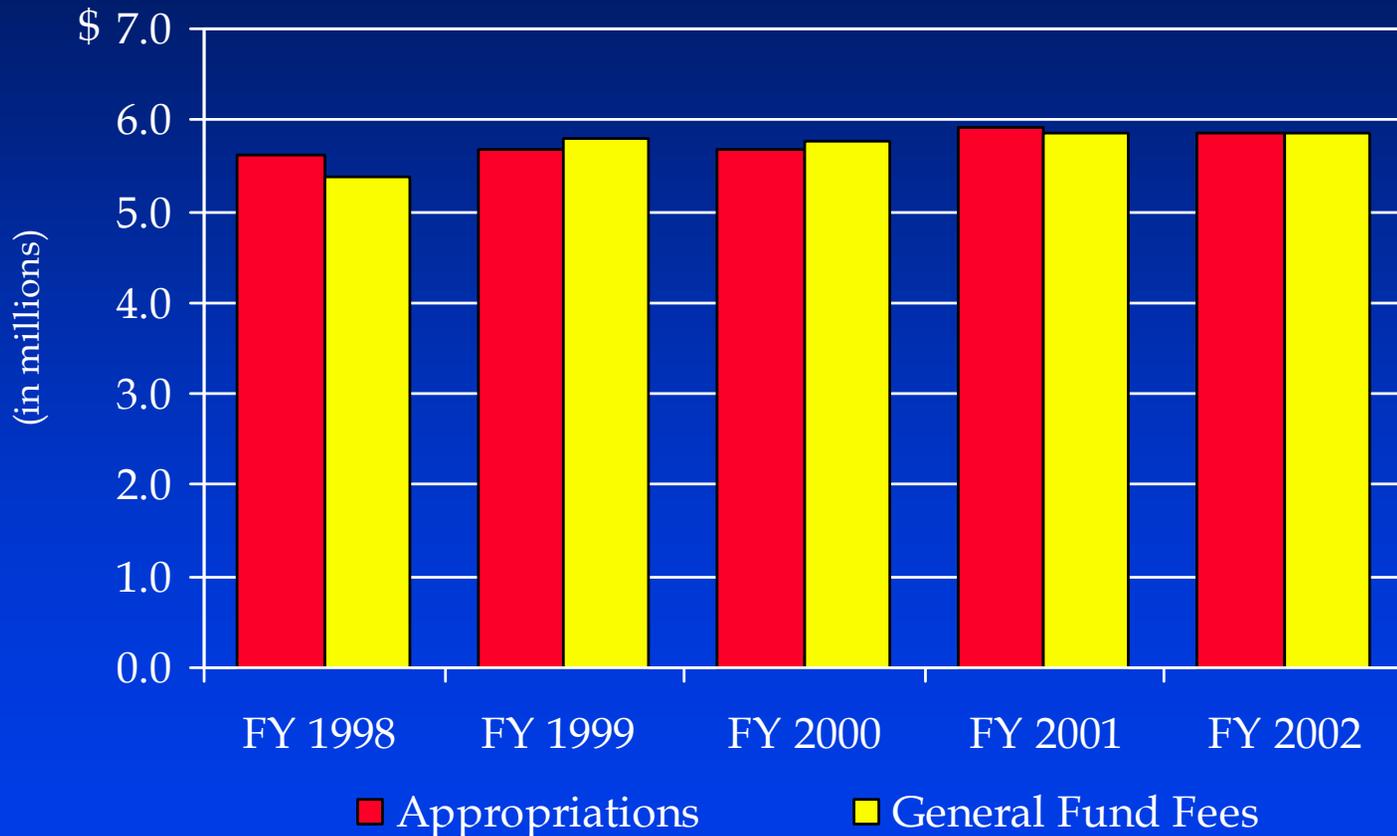
Section 524.207, Code of Iowa, requires all expenses for the duties of the Banking Division be paid from fees appropriated by the General Assembly from the General Fund. All fees collected by the Banking Division from regulated banks are to be deposited into the General Fund and are subject to the requirements of Section 8.60, Code of Iowa. This language requires funds deposited into the General Fund only be used for the purposes for which the money was collected. The Division may expend additional funds, including funds for additional personnel, if those additional expenditures are actual expenses which exceed the funds budgeted for bank examinations and directly result from examinations of banks.

Banking Division – Regulates and enforces applicable State laws involving the financial services industry.

[Click here to continue](#)

# Banking Division

## General Fund Appropriations and Fees



[Click here to continue](#)

# Credit Union Division



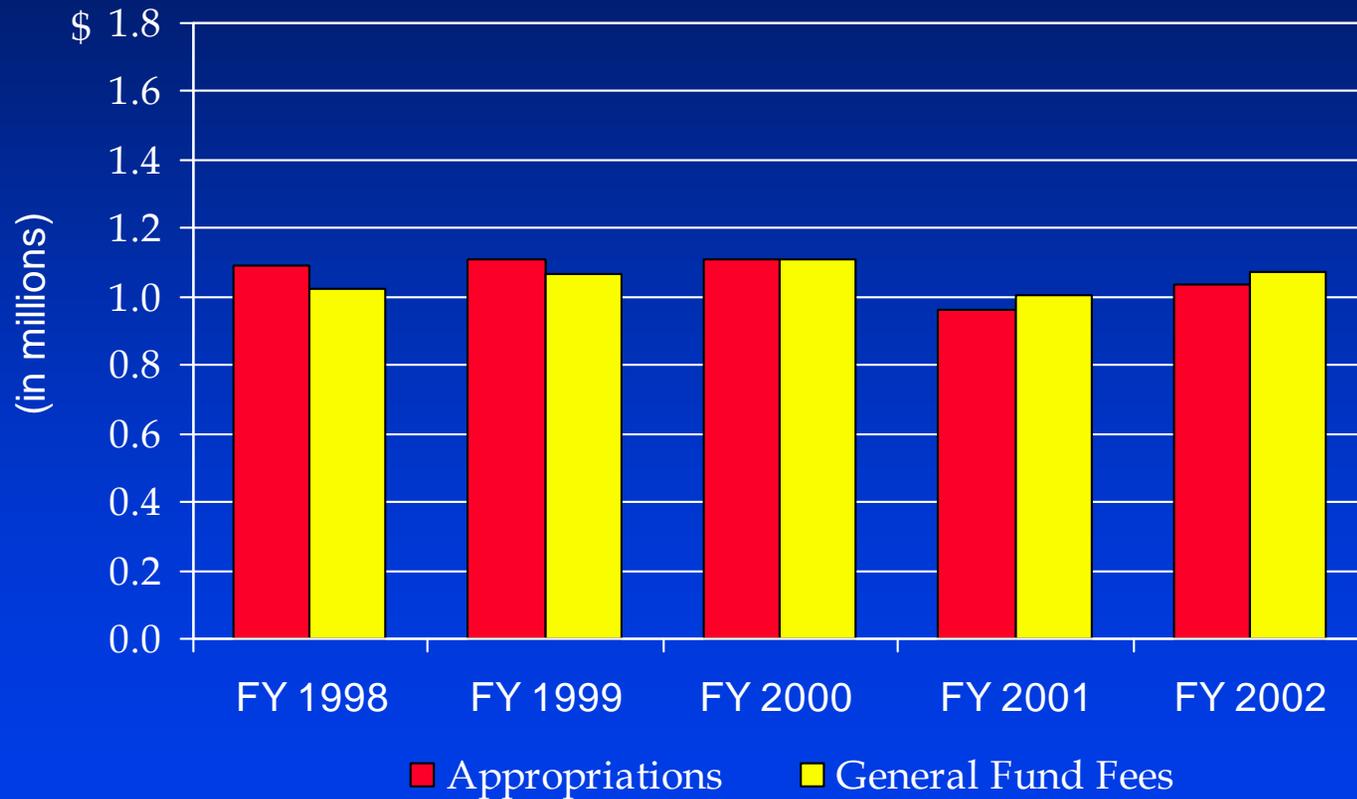
Section 533.67, Code of Iowa, requires all expenses for the duties of the Credit Union Division to be paid from funds appropriated from the General Fund. All fees collected from institutions regulated by the Division are to be deposited into the General Fund. All fees collected by the Division from regulated Credit Unions are to be deposited into the General Fund and are subject to the requirements of Section 8.60, Code of Iowa. This language requires funds deposited into the General Fund be used for the purposes for which the money was collected. The Division may expend additional funds, including funds for additional personnel, if those additional expenditures are actual expenses which exceed the funds budgeted for examinations and directly result from examinations.

**Credit Union Divisions** – Regulates and enforces applicable State laws involving the financial services industry.

[Click here to continue](#)

# Credit Union Division

## General Fund Appropriations and Fees



[Click here to continue](#)

# Insurance Division



Section 505.7, Code of Iowa, requires all fees and charges paid by entities regulated by the Insurance Division to be deposited into the General Fund.

The Commissioner of Insurance is to account for receipts and disbursements according to the separate inspection and examination duties imposed upon the Commissioner and each separate inspection and examination duty is to be fiscally self sustaining.

Forty percent of the nonexamination revenues payable to the Division in connection with the regulation of entities subject to the regulatory jurisdiction of the Division is subject to annual appropriation to the Division for its operations and is also subject to expenditure for special circumstances listed in Section 505.7(6), Code of Iowa. The Insurance Division may expend additional funds, including funds for additional personnel if those additional expenditures are actual expenses which exceed the funds budgeted for insurance solvency oversight.

[Click here to continue](#)

# Insurance Division (Continued)



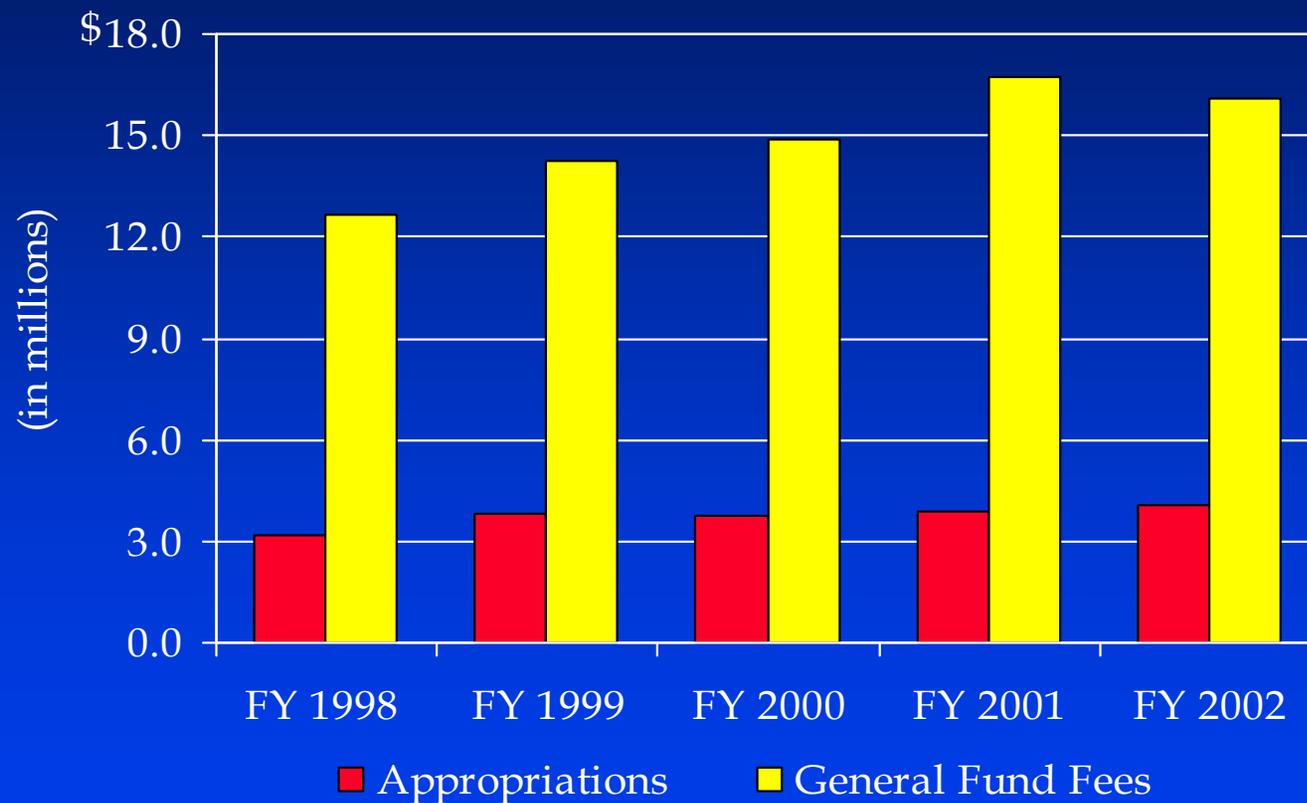
**Insurance Division** – Provides general control, supervision, and direction of all insurance business transactions in the State and administers the insurance laws of Iowa. The Division also regulates securities.



[Click here to continue](#)

# Insurance Division

## General Fund Appropriations and Fees



[Click here to continue](#)

# Professional Licensing Division

Section 546.10(5), Code of Iowa, requires all expenses for the duties of the Professional Licensing Division are to be paid from fees appropriated by the General Assembly from the General Fund. All fees collected by the Professional Licensing Division from regulated professions are deposited into the General Fund and subject to the requirements of Section 8.60, Code of Iowa. This language requires funds deposited into the General Fund be used for the purposes for which the money was collected.

[Click here to continue](#)

# Professional Licensing Division (Continued)

During the 2002 Legislative Session HF 2627 (FY 2003 Second Omnibus Appropriations Act) amended Section 546.10, Code of Iowa, to notwithstanding the provisions of Section 546.10(5), Code of Iowa, by allowing 85.0% of any amount generated from an increase in licensing fees, implemented on or after April 1, 2002, to be retained by the Division, and the remaining 15.0% to be credited to the State General Fund, on and after July 1, 2002.

[Click here to continue](#)

# Professional Licensing Division (Continued)

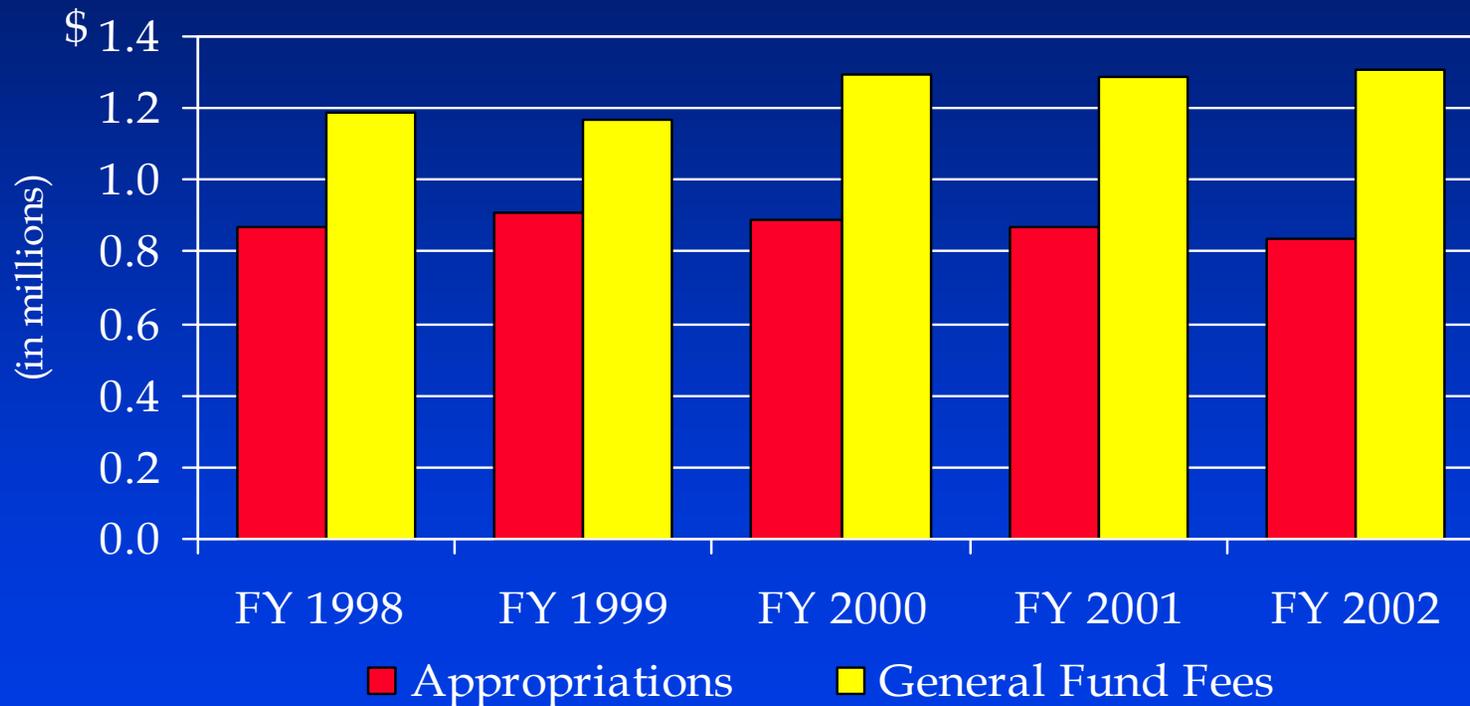
**Professional Licensing Division** – Protects the public through examination, licensing, and regulation of professions within the Division, including accountancy, architecture, engineering/land surveying, landscape architecture, real estate, and real estate appraisal.



[Click here to continue](#)

# Professional Licensing Division

## General Fund Appropriations and Fees



[Click here to continue](#)

# Utilities Division



Sections 476.10, 478.4, 479.16, and 479A.9, Code of Iowa, require that all fees and other moneys collected by the Utilities Division be deposited into the General Fund and be subject to the requirements of Section 8.60, Code of Iowa. This language requires that funds deposited into the General Fund only be used for the purposes for which the money was collected.

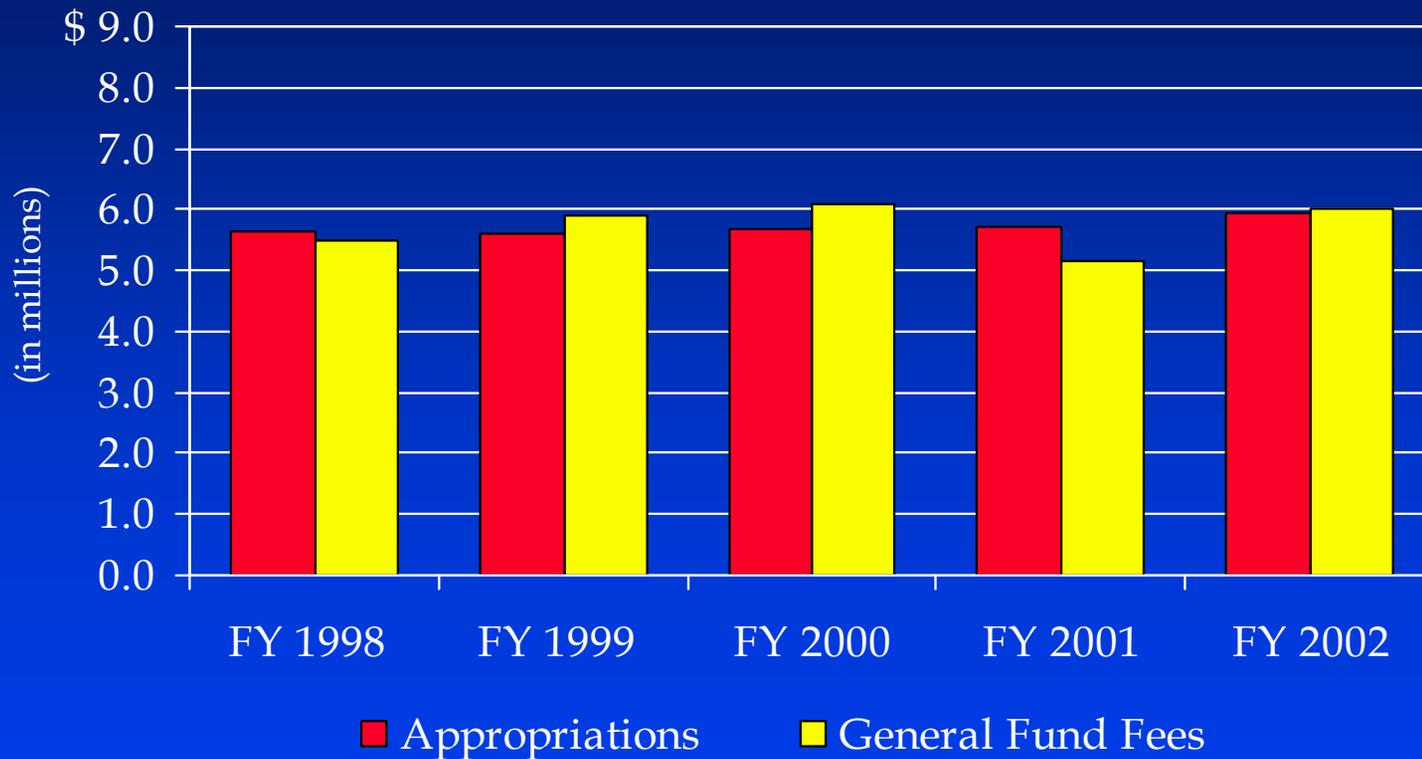
Sections 476.10 and 476.53(4), Code of Iowa, permit the Utilities Board to exceed the budgeted amount and hire additional staff in certain situations if the proper procedure is followed.

**Utilities Division** – Administers policies and procedures of the Iowa Utilities Board. The Iowa Utilities Board regulates investor-owned electric, gas, telephone, and water public utilities serving customers in Iowa.

[Click here to continue](#)

# Utilities Division

## General Fund Appropriations and Fees



[Click here to continue](#)

- ◆ This information has been provided to answer questions regarding fees generated by the divisions within the Department of Commerce.
- ◆ If you have any further questions, please call or e-mail:



Ron Robinson      515-281-6256  
Legislative Fiscal Bureau  
Lucas Office Building  
Administration and Regulation  
Appropriations Subcommittee  
[ron.robinson@legis.state.ia.us](mailto:ron.robinson@legis.state.ia.us)

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# Department of Commerce FY 2002 Daily Cash Flow

The following chart depicts the daily cash flow for the Department of Commerce. The analysis takes into account the daily expenditures, non-appropriated revenue going to each division, and funds deposited directly into the State General Fund, as entered on the Iowa Financial Accounting System (IFAS), for FY 2002.

[Click here to continue](#)

## Department of Commerce FY 2002 Cash Flow



[Click here to continue](#)

# Administration Division FY 2002 Cash Flow

- ◆ During the 2002 Legislative Session HF 2627 (FY 2003 Second Omnibus Appropriations Act) was passed and the Administrative Services Division was eliminated.
- ◆ The daily expenses for administration have been distributed to the individual divisions.
- ◆ These expenses are not reflected in the FY 2002 daily cash flow for the individual divisions.

[Click here to continue](#)

# Administration Division FY 2002 Cash Flow



[Click here to continue](#)

## Alcoholic Beverages Division

### FY 1997 - FY 2002 Deposits to the State General Fund

Revenue Source	1997	1998	1999	2000	2001	2002
BEER TAX	\$ 13,651,181	\$ 12,694,587	\$ 13,235,467	\$ 13,623,460	\$ 13,467,593	\$ 13,765,957
FINES & PENALTIES				54,418	89,698	214,915
INTRA STATE TRANSFERS	37,800,000	40,000,000	41,320,000	45,096,926	46,500,000	47,500,000
LIQUOR TAX	2,088	1,792	1,595	1,624	1,184	899
REFUNDS & REIMBURSEMENTS	69	1,528	544	12,740	802	128
	<u>\$ 51,453,339</u>	<u>\$ 52,697,907</u>	<u>\$ 54,557,606</u>	<u>\$ 58,789,168</u>	<u>\$ 60,059,277</u>	<u>\$ 61,481,898</u>

\*Numbers may not add due to rounding.

- ◆ **Beer Tax:** Section 123.136, Code of Iowa, provides for a tax of five and eighty-nine hundredths dollars for every barrel containing thirty-one gallons. All revenue derived from the barrel tax accrues to the State General Fund.
- ◆ **Fines:** Section 123.53(5), Code of Iowa, requires all civil penalties imposed and collected by the Division to be credited to the General Fund of the State.
- ◆ **Transfer of Profits:** Section 123.53(2), Code of Iowa, provides for the transfer of profits, including the \$9.0 million for the Substance Abuse Division of the Iowa Department of Public Health provided for in Section 123.53(3), Code of Iowa.

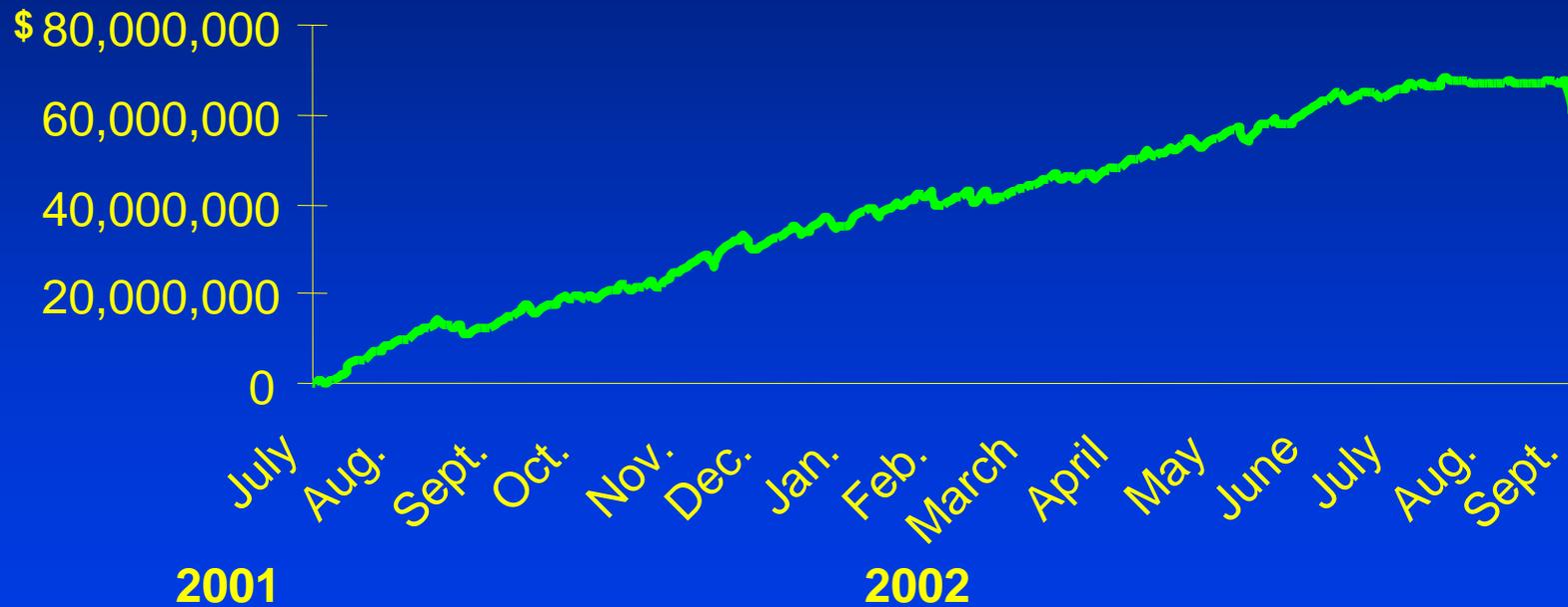
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# Alcoholic Beverages Division FY 2002 Cash Flow

- ◆ Section 123.53, Code of Iowa, requires the Division to retain revenues for the purchase of liquor for resale by the Division, for remittances to local authorities and for other obligations and expenses of the Division.

[Click here to continue](#)

## Alcoholic Beverages Division FY 2002 Cash Flow



[Click here to continue](#)

## Banking Division

### FY 1997 - FY 2002 Deposits to the State General Fund

Revenue Source	1997	1998	1999	2000	2001	2002
COPY FEES	\$ 1,837	\$ 4,862	\$ 2,417	\$ 823	\$ 9,086	\$ 366
CREDIT UNION APPLI & EXAM FEES					30,740	
EXAMINATION FEES	4,891,855	4,909,526	5,183,969	5,161,635	5,199,624	5,207,068
FINES & PENALTIES	5,810		13,970		7,450	1,200
OP CERT H2O TREATMENT					1,159	
OTHER LICENSE, PERMITS OR FEES	292,227	335,767	402,560	404,193	430,093	437,714
SMALL LOAN APPLICATIONS & LIC	116,461	115,432	172,340	201,901	176,947	218,331
TURKEY LICENSES			13,184			
	<u>\$ 5,308,189</u>	<u>\$ 5,365,586</u>	<u>\$ 5,788,439</u>	<u>\$ 5,768,552</u>	<u>\$ 5,855,099</u>	<u>\$ 5,864,679</u>

\*Numbers may not add due to rounding.

- ◆ **Examination Fees:** Section 524.219 , Code of Iowa, provides that a State bank subject to examination, supervision, and regulation by the Superintendent, shall pay to the Superintendent fees, established by the State Banking Board, based on the costs and expenses incurred in the discharge of the duties imposed upon the Superintendent. The fees shall include, but are not limited to, costs and expenses for salaries, travel for employees, office facilities, supplies, and equipment.
- ◆ **Other Fees:** Chapter 536, Code of Iowa, provides for various fees for business loan applications.

[Click here to continue](#)

# Banking Division FY 2002 Cash Flow



[Click here to continue](#)

## Credit Union Division FY 1997 - FY 2002 Deposits to the State General Fund

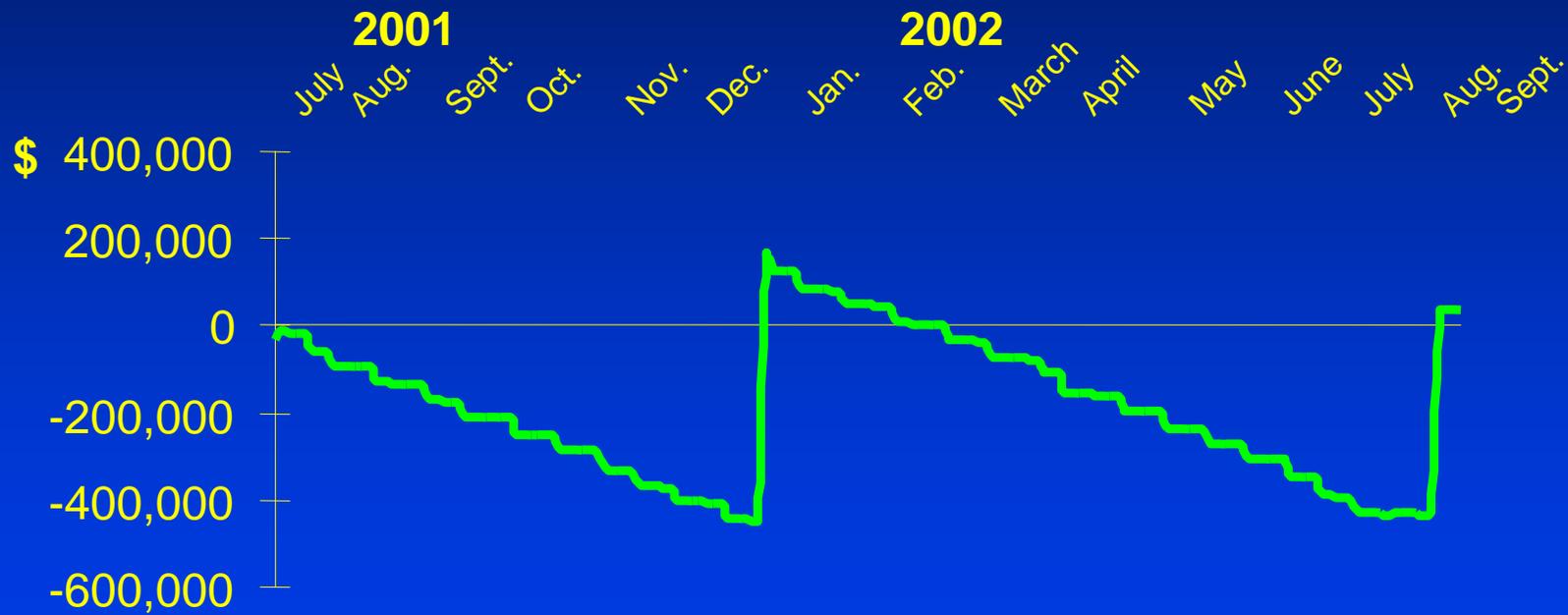
Revenue Source	1997	1998	1999	2000	2001	2002
COPY FEES	\$ 1,099	\$ 1,581	\$ 1,375	\$ 1,190	\$ -439	\$ 950
CREDIT UNION FEES	1,151,500	1,024,547	1,063,650	1,106,737	1,006,955	1,071,277
FINES & PENALTIES	435	220	599			50
	<u>\$ 1,153,034</u>	<u>\$ 1,026,348</u>	<u>\$ 1,065,624</u>	<u>\$ 1,107,927</u>	<u>\$ 1,006,516</u>	<u>\$ 1,072,277</u>

\*Numbers may not add due to rounding.

- ◆ **Examination Fees:** Section 533.62 , Code of Iowa, provides that each credit union shall pay an annual fee based upon the actual operating costs of the Credit Union Division.

Click here to continue

# Credit Union Division FY 2002 Cash Flow



[Click here to continue](#)

## Insurance Division

### FY 1997 - FY 2002 Deposits to the State General Fund

Revenue Source	1997	1998	1999	2000	2001	2002
AGENTS LICENSE	\$ 4,288,343	\$ 4,798,508	\$ 5,060,801	\$ 4,599,676	\$ 4,518,825	\$ 4,504,585
BLUE SKY FEES	7,203,512	7,790,961	8,579,570	10,097,276	10,440,887	9,713,261
COMMERCE UTILITIES FEES				0		
COPY FEES	239		18			
FINES & PENALTIES	443,807	72,434	540,003	97,548	306,873	279,498
MISCELLANEOUS	750,000		305	10,419	1,465,692	
REFUNDS & REIMBURSEMENTS	206	2,500	38,508			
REIMBURSEMENTS-INSURANCE CO.	-50	0	744			
REVERSIONS	1,056	19,956		105,815	3,208	1,576,804
	<u>\$ 12,687,112</u>	<u>\$ 12,684,358</u>	<u>\$ 14,219,948</u>	<u>\$ 14,910,734</u>	<u>\$ 16,735,485</u>	<u>\$ 16,074,149</u>

\*Numbers may not add due to rounding.

- ◆ **Agents License:** Chapter 522B, Code of Iowa, provides for the collection of fees for various purposes including agent licensing and appointment.
- ◆ **Blue Sky Fees:** Chapters 502, 516E, 523A, 523B, 523C, 523D, 523E, and 523I, Code of Iowa, provides for various fees. Most of the fee revenue is generated by the requirements of Chapter 502, Code of Iowa, which deals with securities.

[Click here to continue](#)

# Insurance Division FY 2002 Cash Flow



[Click here to continue](#)

## Professional Licensing Division FY 1997 - FY 2002 Deposits to the State General Fund

Revenue Source		1997	1998	1999	2000	2001	2002
ACCOUNTING	EXAMINATION FEES	\$ 30,820	\$ 28,080	\$ 12,340	\$ 26,600	\$ 9,110	\$ 13,520
	FINES & PENALTIES	5,105	15,273	13,175	14,590	15,583	15,684
	REGISTRATION FEES	356,006	338,955	314,595	371,979	378,375	324,151
		<u>\$ 391,931</u>	<u>\$ 382,307</u>	<u>\$ 340,110</u>	<u>\$ 413,169</u>	<u>\$ 403,068</u>	<u>\$ 353,354</u>
APPRAISERS	EXAMINATION FEES	\$ 1,700	\$ 2,600	\$ 7,500	\$ 5,500	\$ 3,700	\$ 8,500
	FINES & PENALTIES	1,600	944	2,950	1,769	2,838	2,133
	HOTEL & RESTAURANT LIC. OTHER FEES					100	1,987
	REGISTRATION FEES	103,855	94,626	101,846	104,375	113,905	113,595
		<u>\$ 107,155</u>	<u>\$ 98,170</u>	<u>\$ 112,295</u>	<u>\$ 111,644</u>	<u>\$ 120,543</u>	<u>\$ 126,215</u>
ARCHITECTURAL	EXAMINATION FEES	\$ 3,156	\$ 1,800	\$ 1,140	\$ 2,300	\$ 1,000	\$ 1,343
	FILING FEES					160	
	FINES & PENALTIES	2,035	4,315	3,095	2,595	4,020	7,113
	REGISTRATION FEES	113,409	89,113	134,900	124,525	112,580	140,385
	<u>\$ 118,600</u>	<u>\$ 95,228</u>	<u>\$ 139,135</u>	<u>\$ 129,420</u>	<u>\$ 117,760</u>	<u>\$ 148,840</u>	
ENGINEERING	EXAMINATION FEES	\$ 13,730	\$ 12,885	\$ 13,030	\$ 7,280	\$ 12,230	\$ 10,055
	FINES & PENALTIES	5,441	6,650	5,620	13,220	4,970	4,180
	REAL ESTATE LICENSES		0				0
	REGISTRATION FEES	195,029	213,873	212,959	233,815	244,683	245,170
	<u>\$ 214,199</u>	<u>\$ 233,408</u>	<u>\$ 231,609</u>	<u>\$ 254,315</u>	<u>\$ 261,883</u>	<u>\$ 259,405</u>	
LANDSCAPE	EXAMINATION FEES	\$ 12,720	\$ 8,558	\$ 9,230	\$ 15,820	\$ 13,285	\$ 10,025
	FILING FEES		0				
	FINES & PENALTIES	300	600	300	200	400	700
	REGISTRATION FEES	28,896	29,388	28,252	21,480	27,205	31,985
	<u>\$ 41,916</u>	<u>\$ 38,546</u>	<u>\$ 37,782</u>	<u>\$ 37,500</u>	<u>\$ 40,890</u>	<u>\$ 42,710</u>	
PROF. LIC.	REFUNDS & REIMBURSEMENTS	\$ 45	\$ 687		\$ 24	\$ 300	
REAL ESTATE	FILING FEES	\$ 9,218	\$ 23,458	\$ 19,160	\$ 19,077	\$ 25,145	\$ 62,052
	FINES & PENALTIES	2,511	3,675	1,100	6,750	4,900	10,700
	REAL ESTATE LICENSES	323,768	309,913	285,406	321,580	310,285	301,035
		<u>\$ 335,497</u>	<u>\$ 337,046</u>	<u>\$ 305,666</u>	<u>\$ 347,407</u>	<u>\$ 340,330</u>	<u>\$ 373,787</u>
Grand Total		<u>\$ 1,209,343</u>	<u>\$ 1,185,394</u>	<u>\$ 1,166,597</u>	<u>\$ 1,293,478</u>	<u>\$ 1,284,773</u>	<u>\$ 1,304,311</u>

\*Numbers may not add due to rounding.

[Click here to continue](#)

# Professional Licensing Division FY 2002 Cash Flow



[Click here to continue](#)

## Utilities Division

### FY 1997 - FY 2002 Deposits to the State General Fund

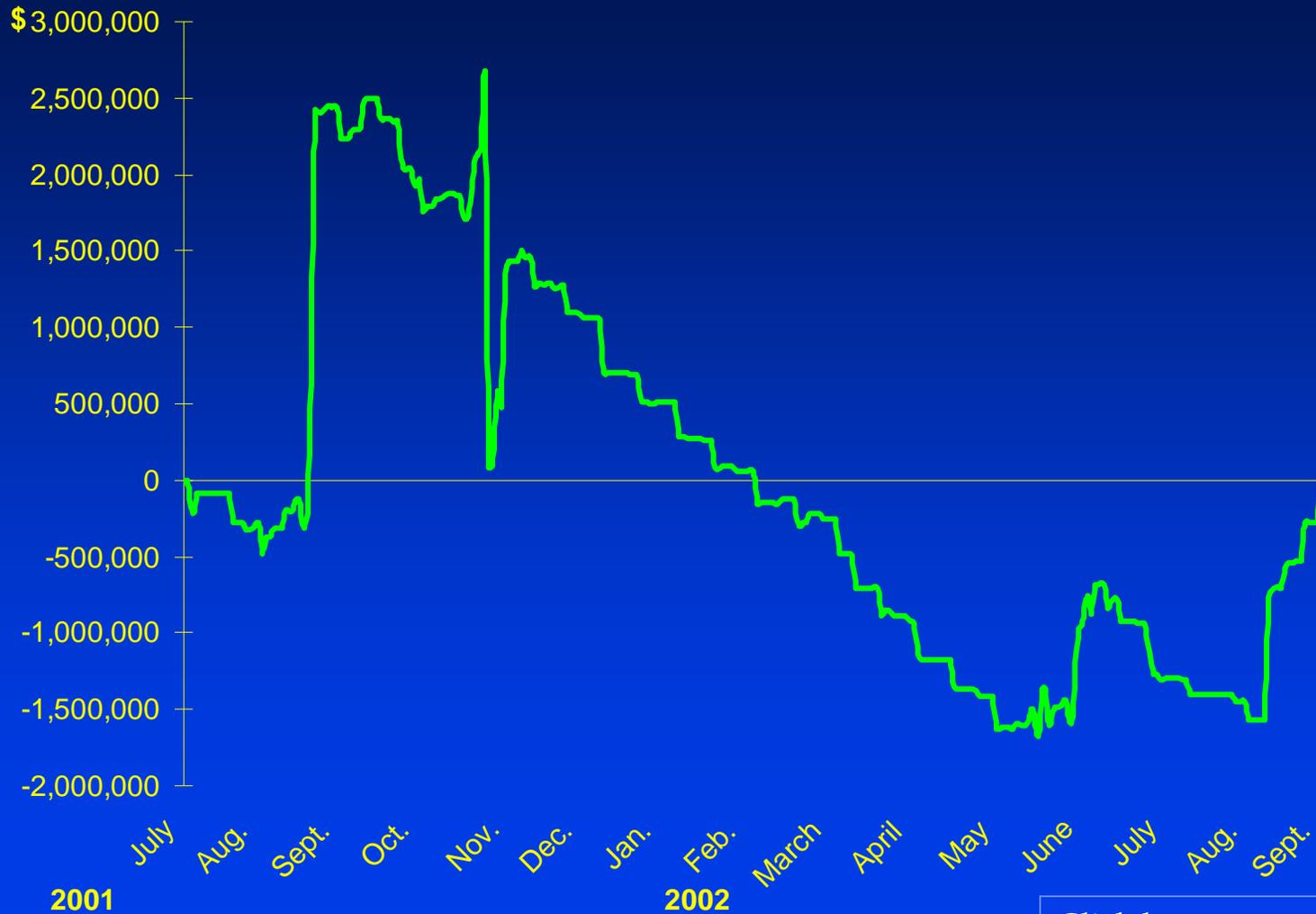
Revenue Source	1997	1998	1999	2000	2001	2002
BLUE SKY FEES			\$ 90			
COMMERCE UTILITIES FEES	\$ 5,267,193	\$ 5,333,865	5,763,211	\$ 5,801,403	\$ 4,966,938	\$ 5,781,926
COPY FEES	18,570	18,934	16,623	27,738	2,039	
FEDERAL REIMBURSEMENTS	100,573	133,194	109,066	178,410	168,986	223,702
OTHER LICENSE, PERMITS OR FEES	4,793	1,134	9,481	900	10,024	17,307
REFUNDS & REIMBURSEMENTS				70,878		
	<u>\$ 5,391,129</u>	<u>\$ 5,487,127</u>	<u>\$ 5,898,471</u>	<u>\$ 6,079,329</u>	<u>\$ 5,147,988</u>	<u>\$ 6,022,935</u>

\*Numbers may not add due to rounding.

- ◆ **Utilities Fees:** Section 476.10, Code of Iowa, requires the Board to ascertain the total of the Division's expenses incurred during each fiscal year in the performance of its duties under law. The Board may assess all persons providing service over which the Board has jurisdiction in proportion to the respective gross operating revenues of such persons from intrastate operations during the last calendar year over which the Board has jurisdiction.

[Click here to continue](#)

### Utilities Division FY 2002 Cash Flow



[Click here to continue](#)